

show of force when venturing into a market where it is so unknown, he said. The company will carefully examine the results, as it hopes to repeat the strategy often while forming a national chain in

Aaron Brothers has already signed leases for stores at Beaverton Town Square (opening Sept. 4), Tanasbourne Town Center and Clackamas Crossing, said Michael Heerman of HSM Pacific, the

Brothers

most frame stores, with newer shops typically occupying

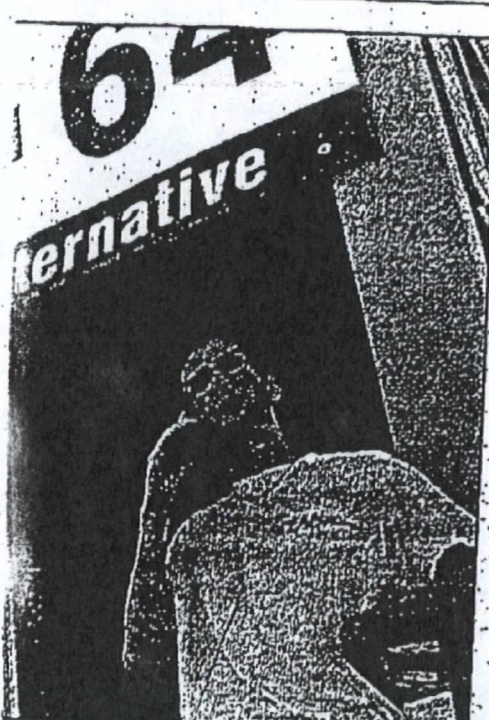
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BUSINESS JOURNAL

8/14/98



CATHY CHENEY THE BUSINESS JOURNAL

in command at the movement's headquarters.

Port's channel plans too deep for some

BY MICHAEL ROSE

Business Journal staff writer

The Port of Portland's attempt to get the Columbia River Channel deepening project on a faster track has Oregon's oldest environmental group threatening to wash its hands of the review process.

The maritime industry has argued for two decades that deepening the navigation channel—from Astoria to Portland's Broadway Bridge—by 3 feet is essential to accommodate increasingly larger ships.

Now that the channel-deepening project is finally picking up speed, the Oregon Environmental Council says the

region should slow down and reconsider the options. The group's leader suggests legal trouble is swirling beneath the surface of the placid discussions over channel deepening.

"I predict the port will get sued over this project," said Jeff Allen, executive director of the Oregon Environmental Council. "If they try to ram it through they're just going to hit a brick wall."

Allen contends the channel-deepening project is being treated like a done deal before all the facts are in. While the Oregon Environmental Council avoids lit-

See CHANNEL, Page 35

Columbia Distributing takes tough stance against strikers

BY MICHAEL ROSE

Business Journal staff writer

Columbia Distributing Co. president

Ed Maletis vows he will make his "last, best and final offer" to striking union employees on Aug. 17.

Despite a three-hour mediation session Monday, the beverage distribution company and its contingent of unionized labor remain at odds. Both management and the union said Wednesday no progress has been made in resolving their differences over union security and retirement benefits.

"I don't believe either side is going to move from their positions," said Maletis.



Columbia is the exclusive distributor of Miller beer in the area, and carries a wide range of other beers, wines and nonalcoholic drinks. The company has operations in Portland, Salem, Eugene, Medford, Bend and Spokane, Wash.

On Aug. 3, about 70 delivery truck drivers and warehouse workers

See STRIKE, Page 34

ignite fire red initiative

mentalists, citizen activists and attorneys, drafted the initiative, which would ban clear-cutting and pesticide use in Oregon's woods.

The majority of foresters in Oregon now clear-cut. Voters will decide in November whether that practice continues.

"I am not out to hurt the timber industry. I am so not about that. I come from a union family. My father's a teamster. My brother's a carpenter. I support the working man. Logging is

See CLEAR-CUT, Page 34

ng get the
late back



Health Care
Quarterly:
Serving
ethnic needs.



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AUGUST 14, 1998

▼ FROM THE FRONT

Channel: Three feet deeper

FROM PAGE 1

igation, he said other environmental organizations will not hesitate to file lawsuits if their concerns are ignored.

The Oregon Environmental Council recently sent letters to the port objecting to "preauthorization" of the channel-deepening project and threatening to withdraw their participation from the public review process. The proposal, which needs the blessing of federal lawmakers, could get the dredging work started two years early.

Preauthorization would shorten the process by allowing dredging supporters to seek federal funding for the project before it passes its final environmental and economic tests.

Port officials say preauthorization, which they prefer calling "conditional approval," would clear the way for seeking federal appropriations in 2000, with dredging beginning in 2001. The port, supported by U.S. Rep. Earl Blumenauer and others in the Northwest delegation, have lobbied for the concept.

The port says it hopes the Oregon Environmental Council will continue to take part in the discussions over the channel-deepening project. It denies that conditional approval would reduce the environmental scrutiny the project will ultimately receive. But some environmentalists aren't convinced by the port's assurances.

"On the whole, I get the idea they're just trying to shoo-in channel deepening and make short shrift of the impacts," said Lyn Mattei, a staff member of Northwest Environmental Advocates, another local environmental group. She too, has heard talk about filing lawsuits over channel deepening in the environmental community, although it's unlikely anyone would sue until after the final environmental impact statement is released in late 1999.

Environmentalists are particularly concerned about the Willamette River portion of the project and the possibility that dredging would release contaminants buried in its sediments. The listing of the Willamette River steelhead as an endangered species has added to the wor-

ries about pollutants lurking in the muck.

The port has several marine terminals along the Willamette that could benefit from a deeper channel, including mineral and grain facilities at Terminals 4 and 5.

Grain ships leave here with partial loads to avoid getting stuck. Meanwhile, the largest container ships have avoided the Willamette and the Columbia because the channel is too shallow.

An estimated \$15 billion a year in trade now crosses the lower Columbia River port docks, influencing an estimated 54,000 jobs throughout the region. The Northwest has much at stake if the current generation of behemoth ships can't reach the docks, port officials say.

"The marketplace for the project was telling us it was needed five years ago," said Tom Decker, manager of federal government relations for the port. "You run the risk of not being about to respond to your customer needs and that is worrisome."

With or without conditional approval, there's still a long way to go before the project is approved, Decker said. The design of the project is still under review and it must pass a number of environmental and economic hurdles, he said. While the figure of \$100 million has been batted around for years, it's looking like the total price tag for the project may be closer to \$200 million, he said.

Getting a two-year head start on the work could save taxpayers a bundle by avoiding inflation costs, Decker said, perhaps as much as \$20 million. Columbia River ports are hopeful that government will include a conditional authorization in legislation now being considered, he said.

The original 17-foot channel has been deepened to a minimum of 40 feet over the past century. Digging out another three feet would pull 18 million cubic yards of sand from the river bottom.

Earlier this year, a group representing commercial fishermen voiced its opposition to the channel deepening project. The fishermen contended that sand would be dumped in places where it might harm fish habitat. Port officials say that's not the case. □



Job Title: Marketing Director

Marketing Budget: \$1.8M

Current Challenge: Recruit

to participate in test market

of environmentally sound of

On Her Desk: The Business

SPECIAL

Book o

When someone needs to often look to see who's why the Book of Lists is round.

Aaron: More competition cometh

FROM PAGE 1

The company offers custom framing.

location until April. That store was sold and now operates under another name.

While individual store owners might

Editorial

8/14/98
46 THE BUSINESS JOURNAL

River wide, channel too deep?

The Port of Portland's campaign to further deepen its shipping channels would be beneficial to the local economy and would help keep the port competitive with nearby deep-water ports. However, there are really two separate issues here, and they deserve separate consideration.

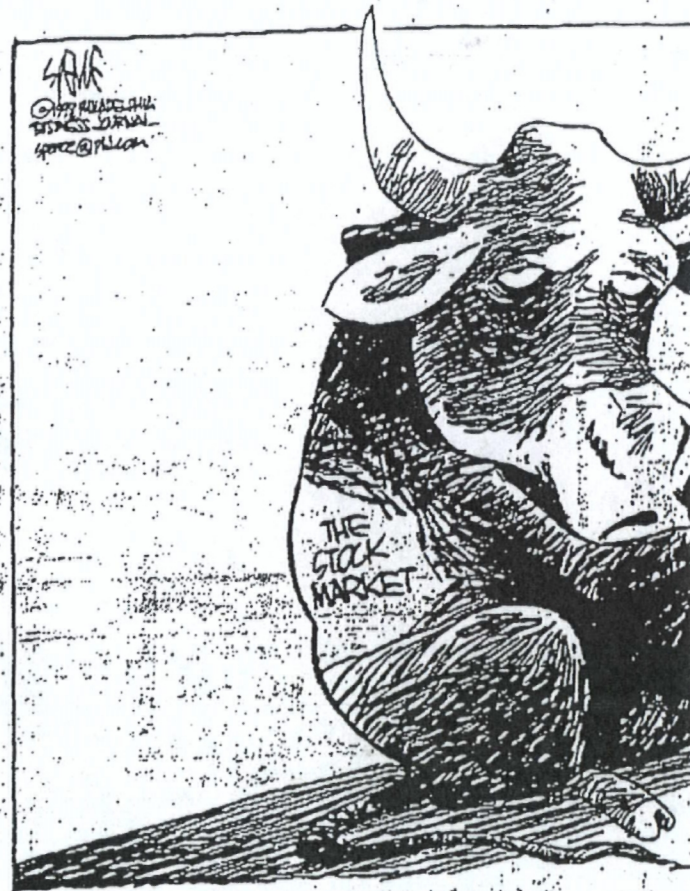
This may not be the time to expedite the process.

Deepening the Columbia River channel a few more feet presents, in our view, no major threats to the environment or to the river itself. The channel is already far below its natural level after years of prior dredging. And the Columbia's riverbed is comparatively clean.

Dredging the Willamette River is a different matter. Naturally, the port would love to see the Willamette opened up to more traffic. But that river bottom is badly contaminated.

The port has proposed fast-tracking the dredging process by lining up federal funding for the project before the environmental impact phase of the project is completed. The port says this wouldn't diminish the evaluation process, and maybe it wouldn't. But when it comes to stirring up muck containing heavy metals, it may, in the long run, be wiser to proceed with caution rather than with haste. Perhaps this is an instance where it would be best to stick to the traditional step-by-step process. Our rivers need special care from here on in, if we are to fulfill our obligation to the future. □

The Business Journal



You can't shut out

Sports memorabilia is a \$2 billion business. And Portland advertising executive Phil Stevens has staked out a handsome chunk of the industry for himself.

The sports enthusiast and chairman of Gerber Advertising has collected so many pieces of memorabilia that he has devoted an entire room of his West Linn home to displaying the prized possessions.

"I love sports," said Stevens, who developed a love for athletics as a child growing up in



PUBLISHER'S NOTE
PHIL STEVENS

11-2-98 *2000*
Polluters must clean up river

Your Oct. 23 article, "River risks a Superfund listing," is a clear call to action. It is ironic that much of the country envies Oregon's natural environs when 5.5 miles of the Willamette River are so polluted with toxic chemicals that the Environmental Protection Agency has made its cleanup a national priority.

The industries that have caused this pollution are so eager to avoid a Superfund listing that they are now discussing steps to clean up our river.

While I am pleased that the polluters are taking a step in the right direction, I find it disturbing that the impetus is a desire to avoid the shame and economic burdens associated with Superfund status. For years, we have known that the chemicals that are dumped into the Willamette are linked to rising rates of childhood cancer, yet the parties responsible for increasing that risk have only increased the amount of pollution going into the river.

The important issue is not whether the Willamette is cleaned up under federal or state jurisdiction; what matters is that the polluters assume full responsibility for the immediate cleanup of our river.

MAUREEN KIRK, executive director
Oregon State
Public Interest Research Group
Southeast Portland

OREGONIAN 11-5-98
River sediment hazardous

In reference to two recent front-page stories, "River risks a Superfund listing" (Oct. 23) and "Report promotes dredging of rivers" (Oct. 24), I would like to suggest that nothing be done to disturb the highly toxic sediments in the lower Willamette and Columbia rivers until a full analysis of the consequences of disturbing and disposing of those sediments has taken place.

Local businesses, the city of Portland and the Port of Portland are to pay \$500,000 for a cleanup plan. Meanwhile, the U.S. Army Corps of Engineers' \$181 million plan to dredge and line our beaches with this hazardous waste as reported in the latter article is appalling.

The sediments in the lower reaches of these two rivers are extremely hazardous to the environment and to the public health. The heavy metals, dioxins, PCBs, pesticides and other toxins require state-of-the-art treatment for permanent, safe disposal.

The public has a right to know and to decide how this cleanup will be handled. With full public and state government involvement, we could design a plan that rids us of this toxic legacy using new technologies that don't just reformat the waste and spew it back into our neighborhoods.

JANE HALEY
President

Oregon Center for Environmental Health
Northeast Portland

11-4-98 *OREGONIAN*
Phase out toxic releases

It probably shocked many Oregonians to learn that parts of the Willamette River qualify as a federal Superfund site because of the toxic chemicals and pesticides that have accumulated in its sediments (Oct. 23).

Even more shocking is the fact that we continue to allow the use and discharge of these highly toxic and persistent poisons, such as dioxin and PCBs. In 1994, for example, more than 500,000 pounds of toxic chemicals were legally dumped into Oregon rivers and lakes by major industries alone.

Pollution prevention is cheap and effective and, here again, it could have saved us an environmental mess and an expensive cleanup. But better late than never: The Oregon Environmental Council will introduce legislation during the 1999 Legislature to phase out all releases of these most toxic substances.

JEFF ALLEN, executive director
Oregon Environmental Council
Southwest Portland